Message

From: Lamb, Jonathan (EGLE) [LAMBJ1@michigan.gov]

Sent: 9/24/2019 12:44:59 PM

To: Schaufelberger, Daniel [schaufelberger.daniel@epa.gov]; Gross, Louise C [gross.louise@epa.gov]; Miller, Patrick

[miller.patrick@epa.gov]

Subject: FW: AK Steel Dearborn Works

Attachments: EPA and MI AK Steel EPA Letter FINAL.pdf; 2019-09-23 Response to US Reps Dingell & Tlaib re AK Steel.pdf; Consent

Decree entered on 8-21-15.pdf; USEPA 6-27-2019 letter.pdf

From: Shaler, Karen (EGLE) <SHALERK@michigan.gov>

Sent: Tuesday, September 24, 2019 8:40 AM

To: Wheeler.andrew@Epa.gov

Cc: Sherry, Dana <SherryD2@michigan.gov>; Cook, Kara <CookK14@michigan.gov>; Clark, Liesl (EGLE)

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Subject: FW: AK Steel Dearborn Works

Dear Administrator Wheeler,

In response to the attached September 12, 2019, letter from Congresswomen Debbie Dingell and Rashida Tlaib regarding AK Steel Dearborn Works that was also addressed to you, please see the attached September 23, 2019, letter and its enclosures from Liesl Eichler Clark, Director, Michigan Department of Environment, Great Lakes, and Energy.

Thank you.

Karen Shaler, Executive Management Assistant to
Chief Deputy Director Aaron B. Keatley
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From: RashidasDesk <<u>rashida@mail.house.gov</u>>
Sent: Friday, September 13, 2019 11:41 AM
To: Sherry, Dana <<u>SherryD2@michigan.gov</u>>

Subject: AK Steel

Administrator Andrew Wheeler Environmental Protection Agency William Jefferson Clinton Building 1200 Pennsylvania Ave., N.W. Director Liesl Eichler Clark Michigan Department of Environment, Great Lakes, and Energy 525 West Allegan Street Re: AK Steel Dearborn Works, 4001 Miller Road, Dearborn, MI

Dear Administrator Wheeler and Director Clark,

We send this letter out of concern for the air quality across the communities in our district's and seek information as it relates to air emissions controls at AK Steel Dearborn Works, an integrated iron and steel mill that produces flat-rolled carbon steel in Dearborn, Wayne County, Michigan.

Dearborn Works is one of many sources of air pollution in southeast Michigan that requires our continued attention to protect human health and the environment—it is our collective responsibility. The United States Environmental Protection Agency (EPA) regulates air emissions under the federal Clean Air Act (CAA), 42 U.S.C. § 7401 *et seq.* The purpose of the CAA is to protect and enhance the quality of the nation's air so as to promote the public health and welfare and the productive capacity of its population. 42 U.S.C 7401(b)(1).

Dearborn Works consists of a Blast Furnace, which turns iron ore into molten iron, and Basic Oxygen Furnace, which turns the molten iron into steel, as well as ladle metallurgy furnaces and other production and finishing equipment. The Basic Oxygen Furnace (BOF) shop is a significant source of air emissions. The BOF shop electrostatic precipitator (ESP) was designed and installed around 1964. The ESP removes particulate matter from process gases before the gas is released into the atmosphere. The particulate matter includes hazardous air pollutants (HAP), including manganese and lead. The ESP is the primary pollution control equipment on the BOF for the control of the process offgas.

Over the past twenty years, air emissions from the ESP have caused thousands of individual violations of the Clean Air Act and state laws implementing the CAA. Since 1997, ESP emissions violations have led regulators to enter into three consent decrees to resolve ESP-related violations. Most recently, in 2015, the EPA together with the Michigan regulator (then DEQ, now EGLE), entered into a Consent Decree to resolve alleged CAA violations in *US v. AK Steel Corp*, Case No. 15-cv-11804 (E.D. Mich 2015). The 2015 Consent Decree resolved violations since 2008 that involved deposition in nearby neighborhoods of particulate matter ("fallout" or "fugitive dust") and excess emissions from the BOF ESP.

The 2015 Consent Decree (¶¶ 19-21) imposed specific obligation on AK Steel to ensure the ESP operates in compliance with the Clean Air Act. The Consent Decree requires AK Steel to develop an Operations and Maintenance (O&M) Plan for the ESP and to review it at least once per calendar year for necessary updates. AK Steel is also required to monitor the ESP in 6-minute blocks, and submit ESP monitoring reports and evaluations to the EPA quarterly. Finally, the Consent Decree requires AK Steel to hire a third-party consultant to annually inspect the ESP and provide to EPA the inspection report, analysis of the report's findings, and any steps taken for impair or improvement of operation of the ESP.

Before the Court entered the 2015 Consent Decree, neighborhood and environmental advocacy organizations and others filed objections to the proposed agreement. On the issue of whether the proposed agreement sufficiently addressed the ESP particulate emissions problems affecting the downwind neighborhoods, EPA responded as follows:

The United States agrees that the compliance history of this ESP suggests that it may have difficulty achieving consistent compliance with applicable emission limits. That is why the Consent Decree requires a detailed annual inspection, a pro-active operation and maintenance ("O&M") plan, and a quarterly analysis of COM data to evaluate the continuing adequacy of the ESP. If the ESP begins to show sign of wear or reduced pollution control effectiveness, the requirements of the proposed Consent Decree will

alert EPA and MDEQ and provide for an action plan to be developed that will bring the system back into compliance. Failure to do so may result in stipulated penalties. Moreover, the public will have access to these same reports and can monitor the effectiveness of the ESP. (Joint Motion to Enter Consent Decree, Attachment 1, pp. 8-9).

The Consent Decree was entered without modification.

Since 2015, AK Steel has reported its emissions from the ESP through Michigan Air Emissions Reporting System (MAERS), a public repository of self-reported air emissions.^[1] The following table shows the AK Steel (SRN A8640) MAERS data for BOF ESP PM10 Emissions by year:

Year	BOF Open Hood Stack ESP Emission PM10 (lbs)
2013	53,800
2014	53,604
2015	52,006
2016	83,699
2017	174,041

AK Steel's data shows BOF ESP particulate emissions have more than tripled since 2015.

At the same time, the air quality monitors in the southwest Detroit (these include the Dearborn, Allen Park, West Fort Street, and River Rouge monitors) show increasing particulate emissions for 2015-2017, compared to 2014-2015 and 2014-2016. (DEQ, 2017 Air Quality Annual Report, Fig. 7.4).^[2] In addition, the Dearborn and West Fort Street monitoring sites document consistently higher level of fine particulates than any monitor in Michigan. (DEQ, 2017 Annual Air Quality Report, Tables 7.1, 7.2 and Fig. 7.9).

AK Steel's quarterly ESP monitoring reports document a recent spike in violations:

	# of >20% Opacity Events	% of 6-min periods >20%
2015 3Q	17	0.3%
2015 4Q	23	0.1%
2016 Q1	181	0.8%
2016 Q2	56	0.3%
2016 Q3	61	0.3%
2016 Q4	176	0.8%
2017 Q1	87	0.4%
2017 Q2	24	0.1%
2017 Q3	37	0.2%
2017 Q4	41	0.2%
2018 Q1	134	0.6%
2018 Q2	75	0.3%
2018 Q3	98	0.4%
2018 Q4	153	0.7%
2019 Q1	532	2.5%

^[1] https://www.egle.state.mi.us/maers/emissions_query.asp (AK Steel is SRN No. A8640).

^[2] https://www.michigan.gov/documents/deg/deg-agd-amu-

²⁰¹⁷ annual air quality report 632667 7.pdf (2017 Annual Air Quality Report).

According to AK Steel's April 30, 2019, quarterly report filed under the 2015 Consent Decree, these violations are indicative of significant failures at the ESP that will require the ESP to be completely rebuilt over a four- to five-year window.

The ESP is at the end of its useful life, resulting in reduced pollution control effectiveness. The EPA commitment in the 2015 Consent Decree obligates the agency to impose an action plan ensures the long-term protection of air quality in the neighborhood.

The purpose of this letter is to inquire into the specific efforts to ensure compliance at the AK Steel BOF ESP and to protect the people who breathe the air downwind of the plant. In particular, we request the following:

- Please document EPA's review and assessment of AK Steel's quarterly monitoring reports and annual ESP inspection reports since 2015.
- Please further explain what testing, inspections, and other assessments EPA and the state has undertaken to evaluate or confirm the root cause for the increased self-reported particulate emissions and opacity violations at the AK Steel BOF ESP.
- In addition, please document and describe the available emissions controls technologies and equipment that may be installed at the BOF to ensure increased control of fine particulate emissions from the BOF and improved air quality in Dearborn and southwest Detroit area.
- Finally, please identify EPA and the state's proposed course of action to ensure that the replacement of the ESP will proceed expediently, including a timeline for replacing the deteriorated BOF ESP with modern, effective emissions control equipment and technologies.

Thank you in advance for considering this important request. We look forward to a prompt response.

Sincerely,	
Rashida Tlaib Member of Congress	Debbie Dingell Member of Congress